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## HOUSE BILL 1773

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State of Washington 60th Legislature 2007 Regular Session

By Representatives Clibborn and Jarrett

Read first time 01/26/2007. Referred to Committee on Transportation.

- AN ACT Relating to the imposition of tolls; amending RCW 47.56.030,
- 2 47.56.031, 47.56.075, 47.56.0761, 47.56.240, 53.34.010, and 35.74.050;
- 3 and adding a new section to chapter 47.56 RCW.

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- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 47.56 RCW 6 to read as follows:
  - (1) The transportation commission may impose tolls, based on the policy guidelines in subsection (3) of this section, on a particular corridor or facility when the legislature approves a plan for the corridor or facility that assumes the imposition of tolls. Tolls may vary for type of vehicle, time of day, traffic conditions, or other factors designed to improve performance of the facility or corridor. Toll charges may be changed as conditions warrant.
- 14 (2) The transportation commission may determine to remove tolls on 15 a particular corridor or facility if, based on the policy guidelines in 16 subsection (3) of this section, the transportation commission concludes 17 that the imposition of tolls is no longer necessary or appropriate. 18 The transportation commission shall notify the transportation

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committees of the legislature if a determination is made. The determination may not take effect until after the adjournment sine die of the next legislative session following the determination.

- (3) The transportation commission, in determining whether to impose or remove tolls on a particular corridor or facility and in determining the amount of the tolls, shall consider the following policy guidelines:
- (a) Overall Direction. Washington should use tolling to encourage effective use of the transportation system and provide a supplementary source of transportation funding.
- (b) When to Use Tolling. Tolling should be used when it can be demonstrated to contribute a significant portion of the cost of a project that cannot be funded solely with existing sources or optimize the performance of the transportation system. Such tolling should in all cases be fairly and equitably applied in the context of the statewide transportation system and not have significant adverse impacts through the diversion of traffic to other routes.
- (c) Use of Toll Revenue. Toll revenue should be used only to improve, preserve, or operate the transportation facility, corridor, or operation in which the revenue is collected.
- (d) Setting Toll Rates. Toll rates, which may include variable pricing, should be set to optimize system performance, recognizing necessary trade-offs to generate revenue.
- (e) Duration of Toll Collection. Because transportation infrastructure projects have costs and benefits that extend well beyond those paid for by initial construction funding, tolls should remain in place to fund additional capacity, capital rehabilitation, maintenance, and operations, and to optimize performance of the system.
- (4) A citizen advisory committee may be created for any tolled facility or corridor. The governor shall appoint nine members to the committee, all of whom must be permanent residents of the affected project area as defined for each project. Members of the committee shall serve without receiving compensation.
- 34 (a) The citizen advisory committee shall serve in an advisory 35 capacity to the transportation commission on all matters related to the 36 imposition of tolls including, but not limited to: (i) The feasibility 37 of providing discounts to frequent users, electronic transponder users,

senior citizens, or students; (ii) the trade-off of lower tolls versus the early retirement of debt; and (iii) consideration of variable or time of day pricing.

- (b) If a citizen advisory committee is created, a toll charge or variable tolling plan may not be imposed or modified unless the citizen advisory committee has been given at least twenty days to review and comment on any proposed toll charge schedule. In setting toll rates, the transportation commission shall consider recommendations of the citizen advisory committee.
- **Sec. 2.** RCW 47.56.030 and 2002 c 114 s 19 are each amended to read 11 as follows:
  - (1) Except as permitted under chapter 47.46 RCW:

- (a) The department of transportation shall have full charge of the construction of all toll bridges and other toll facilities including the Washington state ferries, and the operation and maintenance thereof.
- (b) <u>Subject to section 1 of this act, the transportation commission</u> shall determine and establish the tolls and charges thereon, and shall perform all duties and exercise all powers relating to the financing, refinancing, and fiscal management of all toll bridges and other toll facilities including the Washington state ferries, and bonded indebtedness in the manner provided by law.
- 23 (c) The department shall have full charge of design of all toll facilities.
  - (d) The department shall utilize and administer toll collection systems that are simple, unified, and interoperable. To the extent practicable, the department shall avoid the use of toll booths.
  - (e) Except as provided in this section, the department shall proceed with the construction of such toll bridges and other facilities and the approaches thereto by contract in the manner of state highway construction immediately upon there being made available funds for such work and shall prosecute such work to completion as rapidly as practicable. The department is authorized to negotiate contracts for any amount without bid under  $((\frac{d}{d}))$  (e)(i) and (ii) of this subsection:
  - (i) Emergency contracts, in order to make repairs to ferries or ferry terminal facilities or removal of such facilities whenever

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continued use of ferries or ferry terminal facilities constitutes a real or immediate danger to the traveling public or precludes prudent use of such ferries or facilities; and

- (ii) Single source contracts for vessel dry dockings, when there is clearly and legitimately only one available bidder to conduct dry dock-related work for a specific class or classes of vessels. The contracts may be entered into for a single vessel dry docking or for multiple vessel dry dockings for a period not to exceed two years.
- (2) The department shall proceed with the procurement of materials, supplies, services, and equipment needed for the support, maintenance, and use of a ferry, ferry terminal, or other facility operated by Washington state ferries, in accordance with chapter 43.19 RCW except as follows:
- (a) Except as provided in (d) of this subsection, when the secretary of the department of transportation determines in writing that the use of invitation for bid is either not practicable or not advantageous to the state and it may be necessary to make competitive evaluations, including technical or performance evaluations among acceptable proposals to complete the contract award, a contract may be entered into by use of a competitive sealed proposals method, and a formal request for proposals solicitation. Such formal request for proposals solicitation shall include a functional description of the needs and requirements of the state and the significant factors.
- (b) When purchases are made through a formal request for proposals solicitation the contract shall be awarded to the responsible proposer whose competitive sealed proposal is determined in writing to be the most advantageous to the state taking into consideration price and other evaluation factors set forth in the request for proposals. No significant factors may be used in evaluating a proposal that are not specified in the request for proposals. Factors that may be considered in evaluating proposals include but are not limited to: Price; maintainability; reliability; commonality; performance levels; life cycle cost if applicable under this section; cost of transportation or delivery; delivery schedule offered; installation cost; cost of spare parts; availability of parts and service offered; and the following:
- (i) The ability, capacity, and skill of the proposer to perform the contract or provide the service required;

1 (ii) The character, integrity, reputation, judgment, experience, 2 and efficiency of the proposer;

- (iii) Whether the proposer can perform the contract within the time specified;
  - (iv) The quality of performance of previous contracts or services;
- (v) The previous and existing compliance by the proposer with laws relating to the contract or services;
- (vi) Objective, measurable criteria defined in the request for proposal. These criteria may include but are not limited to items such as discounts, delivery costs, maintenance services costs, installation costs, and transportation costs; and
- 12 (vii) Such other information as may be secured having a bearing on 13 the decision to award the contract.
  - (c) When purchases are made through a request for proposal process, proposals received shall be evaluated based on the evaluation factors set forth in the request for proposal. When issuing a request for proposal for the procurement of propulsion equipment or systems that include an engine, the request for proposal must specify the use of a life cycle cost analysis that includes an evaluation of fuel efficiency. When a life cycle cost analysis is used, the life cycle cost of a proposal shall be given at least the same relative importance as the initial price element specified in the request of proposal documents. The department may reject any and all proposals received. If the proposals are not rejected, the award shall be made to the proposer whose proposal is most advantageous to the department, considering price and the other evaluation factors set forth in the request for proposal.
  - (d) If the department is procuring large equipment or systems (e.g., electrical, propulsion) needed for the support, maintenance, and use of a ferry operated by Washington state ferries, the department shall proceed with a formal request for proposal solicitation under this subsection (2) without a determination of necessity by the secretary.
- **Sec. 3.** RCW 47.56.031 and 2005 c 335 s 2 are each amended to read as follows:
- 36 ((No)) (1) Tolls may not be imposed on new or existing highways or 37 bridges without specific legislative authorization, upon a majority

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- 1 vote of the transportation commission acting under section 1 of this
- 2 <u>act</u>, or upon a majority vote of the people within the boundaries of the
- 3 unit of government empowered to impose tolls. This section applies to
- 4 chapter 47.56 RCW and to any tolls authorized under chapter 47.29
- 5 RCW((, the transportation innovative partnership act of 2005)).
- 6 (2) All revenue from a tolled facility or corridor must be used
- 7 only to improve, preserve, or operate the tolled facility, operation,
- 8 or corridor in which the revenue is collected. As used in this
- 9 <u>subsection</u>, a "facility, operation, or corridor" means the following:
- 10 (a) A bridge, highway, or roadway; (b) a vessel, bus, vehicle, or other
- 11 conveyance of people or goods; or (c) a system of facilities,
- 12 operations, or corridors, including cordon tolling operations, as
- 13 <u>defined by the tolling authority.</u>
- 14 Sec. 4. RCW 47.56.075 and 2002 c 56 s 404 are each amended to read
- 15 as follows:
- 16 The department shall approve for construction only such toll roads
- 17 as the legislature specifically authorizes or such toll facilities as
- 18 are specifically sponsored by a regional transportation investment
- 19 district, <u>transportation benefit district</u>, city, town, or county.
- 20 **Sec. 5.** RCW 47.56.0761 and 2006 c 311 s 20 are each amended to
- 21 read as follows:
- Notwithstanding any provision to the contrary in this chapter, a
- 23 regional transportation investment district may authorize vehicle
- 24 tolls, only with the approval of the transportation commission, on
- 25 either Lake Washington bridge within its boundaries to implement a
- 26 regional transportation investment plan as authorized in chapter 36.120
- 27 RCW and RCW 47.56.076.
- 28 Sec. 6. RCW 47.56.240 and 1984 c 7 s 265 are each amended to read
- 29 as follows:
- 30 <u>Subject to section 1 of this act, the commission is hereby</u>
- 31 empowered to fix the rates of toll and other charges for all toll
- 32 bridges built under the terms of this chapter. Toll charges so fixed
- 33 may be changed from time to time as conditions warrant. The
- 34 commission, in establishing toll charges, shall give due consideration
- 35 to the cost of operating and maintaining such toll bridge or toll

bridges including the cost of insurance, and to the amount required 1 2 annually to meet the redemption of bonds and interest payments on them. The tolls and charges shall be at all times fixed at rates to yield 3 annual revenue at least equal to annual operating and maintenance 4 5 expenses including insurance costs and all redemption payments and interest charges of the bonds, including applicable excess coverage, 6 7 issued for any particular toll bridge or toll bridges as the bonds The bond redemption and interest payments constitute a 8 9 first direct and exclusive charge and lien on all such tolls and other 10 revenues and interest thereon. Sinking funds created therefrom received from the use and operation of the toll bridge or toll bridges, 11 12 and such tolls and revenues together with the interest earned thereon 13 shall constitute a trust fund for the security and payment of such 14 bonds and shall not be used or pledged for any other purpose as long as any of these bonds are outstanding and unpaid, except to the extent 15 that the tolls and charges exceed the amount necessary to achieve the 16 purpose of this section. 17

Sec. 7. RCW 53.34.010 and 1984 c 7 s 365 are each amended to read as follows:

In addition to all other powers granted to port districts, any such district may, with the consent of the department of transportation, acquire by condemnation, purchase, lease, or gift, and may construct, reconstruct, maintain, operate, furnish, equip, improve, better, add to, extend, and lease to others in whole or in part and sell in whole or in part any one or more of the following port projects, within or without or partially within and partially without the corporate limits of the district whenever the commission of the district determines that any one or more of such projects are necessary for or convenient to the movement of commercial freight and passenger traffic a part of which traffic moves to, from, or through the territory of the district:

(1) Toll bridges;

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(2) Tunnels under or upon the beds of any river, stream, or other body of water, or through mountain ranges.

In connection with the acquisition or construction of any one or more of such projects the port districts may, with the consent of the state department of transportation, further acquire or construct, maintain, operate, or improve limited or unlimited access highway

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- approaches of such length as the commission of such district deems advisable to provide means of interconnection of the facilities with
- 3 public highways and of ingress and egress to any such project,
- 4 including plazas and toll booths, and to construct and maintain under,
- 5 along, over, or across any such project telephone, telegraph, or
- 6 electric transmission wires and cables, fuel lines, gas transmission
- 7 lines or mains, water transmission lines or mains, and other mechanical
- 8 equipment not inconsistent with the appropriate use of the project, all
- 9 for the purpose of obtaining revenues for the payment of the cost of
- 10 the project.
- 11 Any toll imposed under this section must first be approved by the
- 12 state transportation commission or its successor statewide tolling
- 13 <u>authority</u>.
- 14 **Sec. 8.** RCW 35.74.050 and 1965 c 7 s 35.74.050 are each amended to
- 15 read as follows:
- 16 A city or town may build and maintain toll bridges and charge and
- 17 collect tolls thereon, and to that end may provide a system and elect
- 18 or appoint persons to operate the same, or the said bridges may be made
- 19 free, as it may elect.
- 20 Any toll imposed under this section must first be approved by the
- 21 <u>state transportation commission or its successor statewide tolling</u>
- 22 <u>authority</u>.

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